

Please note that these updated Service-Specific Supplemental Terms will apply to your Avalara Service upon any renewal, upgrade, or Service purchase made on or after January 1, 2025

These Avalara Licensing for Hospitality Service-Specific Supplemental Terms ("**ALH Terms**") govern Customer's use of Avalara Licensing for Hospitality and the purchase and use of any other Avalara services that incorporate these ALH Terms by reference. These ALH Terms are in addition to, and incorporate by reference, the Avalara Service Terms and Conditions available at <https://avalara.com/terms> (the "**Terms**"). Any capitalized terms used in these ALH Terms and not defined have the meanings given in the Terms.

## 1. Definitions.

- a. "**License**" means each federal, state, county, or local lodging tax-related business license and permit needed for a Location.
- b. "**Location**" means each physical location for which Avalara files and/or maintains a License or Registration, as applicable.
- c. "**Potential Location**" means each physical location that Customer identifies for potential licensing or registration.
- d. "**Registrations**" means, as applicable, the federal, state, county, and local lodging tax registrations needed for a Location.

## 2. Services.

- a. **One-Time Services.** The following provisions apply to Customers who purchase Initial License and Registration Fees.
  - i. **Research.** Upon Customer's written request, Avalara will contact jurisdictions related to the Potential Locations that Customer provides to Avalara to obtain information regarding Licensing and Registration requirements (if any) (the "**Research Services**"). Avalara will provide Customer with a list summarizing its research activities (the "**Research Report**"). For clarity, the Research Report will include a list of Licenses and Registrations applied for, as well as a list of Potential Locations for which no License or Registration is required as of the time of the Research Report.
  - ii. **Initial License and Registration Filing.** Avalara will prepare and file the forms for the Locations' Licenses and Registrations, as applicable. Avalara will collect License and Registration application fees from Customer and remit to the applicable jurisdictions on Customer's behalf. Avalara will provide support with the jurisdiction for the application process. Avalara will notify Customer if filing and License or Registration fee remittance is not available from Avalara for a License or Registration (for example, for a local License or Registration), in which case Avalara will provide the application to Customer and Customer shall file the License or Registration application and remit License or Registration fees directly to the applicable jurisdiction.
  - iii. **Fees.** Fees are based on the number of (i) Locations and (ii) Potential Locations where Avalara performs the Research Service and reports that no License or Registration is required as of the time of the Research Report.
  - iv. **Research Services Warranty.** Provided that Customer performs its obligations to Avalara under the Agreement, Avalara warrants to Customer that the Research Services will be performed in a professional manner consistent with generally accepted industry practice. Avalara's warranty shall expire 30 days after the delivery of the Research Report or the termination of the Agreement, whichever occurs first. Avalara's warranty shall only be effective if Customer notifies Avalara of the breach of the warranty before that expiration date. Avalara's sole and exclusive obligation for breach of this warranty will be, at Avalara's option, to (1) use commercially reasonable efforts to reperform the Research Services in a manner that conforms to the warranty, or (2) refund to Customer fees paid by Customer for the non-conforming Research Services. The warranty in this Section 2(a)(v) is in addition to the warranties provided in the Terms.

- b. **Subscription Service.** The following provisions apply to Customers who purchase an Avalara Licensing for Hospitality subscription.
    - i. **Ongoing Services.** Avalara will provide ongoing support, maintenance, and renewals for each Location's Registrations and Licenses.
    - ii. **Fees.** Fees are based on Customer's subscription plan, which is based on the number of Locations.
  - c. **License.** Avalara grants Customer a limited, nonexclusive, nontransferable, nonassignable, worldwide license to use and retain the Content that is returned by the Services to Customer solely for its internal compliance purposes in connection with the specific Registration or License for which it was provided.
3. **Customer Obligations.** Customer is solely responsible for ensuring the Customer Data provided to Avalara is correct. Customer is solely responsible for timely and fully funding the License and Registration fees as requested by Avalara or described in the Documentation. If Customer fails to timely or fully fund the License or Registration application fees: (1) Avalara has no obligation to prepare or file the Licenses, Registrations, or renewals; (2) Avalara will have no liability of any kind to Customer arising as a result of not completing any filing; and (3) Customer will not be entitled to and Avalara will not refund any fees paid by Customer for Services not completed pursuant to this Section 3.
4. **Authorization.** By purchasing Avalara Licensing for Hospitality, Customer authorizes Avalara to prepare and file, where applicable, Customer's Registrations and Licenses. Customer also authorizes Avalara to interact with relevant jurisdictions and other third parties on Customer's behalf in connection with Avalara's provision of the Services.
5. **Deviations from the Terms.**
- a. **Customer Affiliates.** Unless otherwise agreed to in writing, Customer's Affiliates are not permitted to use Avalara Licensing for Hospitality.
  - b. **Status Updates.** Avalara may not elect to provide status updates.
6. **Compliance with NACHA Operating Rules.** Customer's responsibilities described in the Agreement and Customer's access to and use of Services may be subject to the Operating Rules of NACHA, the organization that regulates the ACH network in the United States.
- a. To the extent that Customer's operations are governed by the NACHA Operation Rules, Customer specifically agrees to the following NACHA requirements:
    - i. Customer will comply with all applicable requirements under the then-current version of the NACHA Operating Rules; and
    - ii. Customer will comply with the laws of the United States in providing such funding. In addition to any other applicable termination rights, Avalara may terminate this agreement for Customer's non-compliance with the NACHA Operating Rules if such breach or non-compliance is not cured within 10 days of Avalara first notifying Customer of its non-compliance.
  - b. Avalara has the right to audit Customer's access to and use of the Services, at a time and location mutually agreeable to both Customer and Avalara, to ensure compliance with the NACHA Operating Rules and the Agreement.